

BALL JANIK LLP

A T T O R N E Y S

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April 30, 2010

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E-FILE

**Ms. Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, S.W.
Washington, DC 20423**

**Re: STB Finance Docket No. 35373, Stillwater Central Railroad, Inc. –
Assignment of Trackage Rights Exemption – Wichita, Tillman And
Jackson Railway Company, Inc., and Hollis & Eastern Railroad
Company**

Dear Ms. Brown:

On April 21, 2010, Stillwater Central Railroad, Inc. ("SLWC") filed with the Board a Verified Notice of Exemption pursuant to the provisions of 49 C.F.R. § 1180.2(d)(7) covering the assignment of a trackage rights agreement to SLWC. Attached to the Notice were copies of the Trackage Agreement and the First Supplement.

Attached please find a copy of the Assignment and Assumption Agreement pursuant to which the Trackage Agreement and First Supplement are being assigned.

Respectfully submitted,



Karl Morell

Enclosure

ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement ("Assignment") is made as of the 5th day of April, 2010, ("Effective Date") between and among HOLLIS & EASTERN RAILROAD COMPANY LLC, a Delaware limited liability company (hereinafter the "Assignor") successor to Hollis & Eastern Railroad Company, Inc., an Oklahoma corporation and STILLWATER CENTRAL RAILROAD, INC., an Oklahoma corporation (hereinafter the "Assignee"). Hereinafter Assignor and Assignee shall be collectively referred to as the "Parties."

WHEREAS, Assignor and Wichita, Tillman and Jackson Railway Company, Inc., an Oklahoma corporation ("WTJ"), entered into a Trackage Agreement dated January 22, 1992, as amended and/or supplemented; (the Trackage Agreement); and

WHEREAS, Assignor has agreed to lease the rail line that is the subject of the Trackage Agreement to Assignee pursuant to a Lease and Transportation Services Agreement dated as of January 1, 2010 (the "Lease"); and

WHEREAS, Assignor desires to assign the Trackage Agreement to Assignee for the duration of the term of the Lease, and Assignee desires to assume such Agreement; and

WHEREAS, Assignor and Assignee are seeking WTJ's consent to such assignment, which WTJ is willing to provide subject to the terms and conditions of this Assignment.

NOW, THEREFORE, in consideration of the obligations and undertakings below, the parties agree as follows:

ASSIGNMENT:

Effective upon the Commencement Date of the Lease through the termination of the Lease, Assignor does hereby assign, transfer and set over unto Assignee all of the Assignor's right, title and interest in, to and under the Trackage Agreement.

Subject to the above and the terms and conditions of the Lease, Assignee hereby accepts this assignment and assumes all of the duties, obligations and liabilities of Assignor thereunder accruing on and after the Commencement Date of the Lease through the termination of the Lease, and agrees to release the Assignor, its successors and assigns, from any and all obligations arising out of, or pursuant to, the agreements or applicable portions thereof herein assigned from and after the Commencement Date of the Lease through the termination of the Lease to the extent applicable to the obligations of Assignee under the Lease to the extent arising on and after the Commencement Date of the Lease.

TERMINATION OF LEASE:

Upon the termination of the Lease for any reason, this Assignment shall automatically terminate and the Trackage Agreement shall revert to an agreement between WTJ and Assignor;

provided, that any liabilities that shall have accrued during the term of the Lease shall remain liabilities of Assignee following termination of this Assignment. As soon as practicable following any such termination of the Lease, Assignor shall provide WTJ with written notice of such termination.

CONSENT:

WTJ hereby consents to this Assignment and that the same is hereby assigned by Assignor to Assignee and that from and after the Commencement Date of the Lease through the termination of the Lease Assignee shall have all rights, privileges, obligations and remedies thereunder as if an original party thereto.

COMPLIANCE:

By executing this Assignment, both WTJ and Assignor acknowledge and confirm to Assignee that on the Effective Date of this Assignment, that Assignor is in material compliance with all terms and conditions of the of the Trackage Agreement and that the same is valid and in full force and effect; Assignor is current on all payments and obligations under said Trackage Agreement; and Assignor is not in default nor is a default threatened or pending, nor is there a matter pending that solely with the passage of time or notice from WTJ to Assignor will result in a default of the Trackage Agreement.

GENERAL:

This Assignment shall be binding upon and shall inure to the benefit of the parties hereto, their successors and assigns. No provision hereof shall be construed as intended for the benefit of any third party.

Any and all disputes between the parties hereto shall be determined subject to Oklahoma law. The parties hereto agree to the personal jurisdiction of the state and federal courts of Oklahoma.

This Assignment may be executed in counterparts and the counterparts, taken together, shall constitute the original.

IN WITNESS WHEREOF, the parties to this Assignment have executed this instrument as of the date and year first above written.

Attest:

HOLLIS & EASTERN RAILROAD COMPANY,
LLC
A Delaware Limited Liability Company.



By: Tim Parks
Name: TIM PARKS
Title: VP-FINANCE

Attest:

STILLWATER CENTRAL
RAILROAD, INC.
An Oklahoma corporation

By: _____
Name: _____
Title: _____

Consented to and approved by:

Attest:

WICHITA, TILLMAN AND JACKSON
RAILWAY COMPANY
An Oklahoma corporation

By: _____
Name: _____
Title: _____

Concur:

**STATE OF OKLAHOMA DEPARTMENT OF
TRANSPORTATION**

By: _____

Name: _____

Title: _____